

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Balance Sheet**  
**As of 7/31/2003**

9/10/2003

	As of <u>7-31-03</u>	As of <u>6-30-03</u>
<b>ASSETS:</b>		
<b>INVESTMENTS (AT MARKET)</b>		
DOMESTIC EQUITIES	\$ 488,942,455	\$ 475,417,195
INTERNATIONAL EQUITIES	303,799,899	293,812,409
DOMESTIC FIXED INCOME	147,425,530	150,491,883
INTERNATIONAL FIXED INCOME	51,709,460	52,857,523
REAL ESTATE	109,765,102	109,451,910
VENTURE CAPITAL	50,442,622	52,189,986
INVESTED CASH (NOTE 1)	<u>26,459,241</u>	<u>23,855,378</u>
 TOTAL INVESTMENTS	 1,178,544,309	 1,158,076,284
 <b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	4,339,388	4,588,915
CONTRIBUTIONS RECEIVABLE	507,075	6,260,471
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>41,698</u>
 TOTAL RECEIVABLES	 4,846,463	 10,891,084
 <b>OTHER ASSETS</b>		
OPERATING CASH (NOTE 2)	6,882,025	7,388,155
DUE FROM OTHER AGENCIES (NOTE 3)	<u>36,197</u>	<u>0</u>
 TOTAL ASSETS	 <u>\$ 1,190,308,994</u>	 <u>\$ 1,176,355,523</u>
 <b>LIABILITIES:</b>		
ACCOUNTS PAYABLE	824,068	824,172
ACCRUED EXPENSES	81,710	244,481
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>38,392</u>
 TOTAL LIABILITIES	 905,778	 1,107,045
 <b>NET ASSETS AVAILABLE:</b>		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,175,248,478	1,165,369,565
CASH IN DURING YEAR (NOTE 5)	12,785,000	120,855,000
CASH OUT DURING YEAR (NOTE 6)	12,785,000	120,855,000
NET INCREASE (DECREASE)	<u>14,154,738</u>	<u>9,878,913</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,189,403,216</u>	 <u>1,175,248,478</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,190,308,994</u>	 <u>\$ 1,176,355,523</u>

9/10/2003

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Profit and Loss Statement**  
**For the Month Ended 7/31/2003**

	Month Ended <u>7-31-03</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 4,478,032	\$ 4,478,032
SECURITIES LENDING INCOME	63,015	63,015
	<u>4,541,047</u>	<u>4,541,047</u>
 GAIN ON SALE OF INVESTMENTS	 19,234,610	 19,234,610
LOSS ON SALE OF INVESTMENTS	<u>10,051,907</u>	<u>10,051,907</u>
 NET GAINS (LOSSES) INVESTMENTS	 9,182,703	 9,182,703
 INVESTMENT EXPENSES	 649,979	 649,979
SECURITIES LENDING EXPENSES	38,699	38,699
SIB ADMINISTRATIVE EXPENSES	<u>8,472</u>	<u>8,472</u>
 NET INVESTMENT INCOME	 13,026,600	 13,026,600
 NET APPREC (DEPREC) MARKET VALUE	 6,638,146	 6,638,146
MISCELLANEOUS INCOME/(EXPENSE)	<u>5,934</u>	<u>5,934</u>
 TOTAL INVESTMENT INCOME	 19,670,680	 19,670,680
 CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	 569,413	 569,413
PURCHASED SERVICE CREDIT (NOTE 8)	422,793	422,793
PENALTY & INTEREST (NOTE 9)	<u>230</u>	<u>230</u>
 TOTAL ADDITIONS	 <u>20,663,116</u>	 <u>20,663,116</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	6,361,350	6,361,350
REFUNDS TO MEMBER (NOTE 11)	<u>96,329</u>	<u>96,329</u>
 TOTAL BENEFITS PAID	 6,457,679	 6,457,679
 ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	50,699	50,699
MISCELLANEOUS EXPENSES	<u>0</u>	<u>0</u>
 TOTAL ADMINISTRATIVE EXPENSES	 <u>50,699</u>	 <u>50,699</u>
 TOTAL DEDUCTIONS	 <u>6,508,378</u>	 <u>6,508,378</u>
 NET INCREASE (DECREASE)	 <u>\$ 14,154,738</u>	 <u>\$ 14,154,738</u>

**TEACHERS' FUND FOR RETIREMENT**  
**Notes To Financial Statements**  
**July 31, 2003**

9/10/2003

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1            INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2            OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3            DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4            DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5            CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6            CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7            CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8            PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

**TEACHERS' FUND FOR RETIREMENT**  
**Notes to Financial Statements**  
**7/31/2003**

9/10/2003

NOTE 9

PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10

BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11

REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.